

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

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Washington, D. C.

January 8, 1949

AUTHORITATIVE DISCUSSION OF PRICING LEGISLATION

Important Convention Meeting of Corn Canners

Within the next few days it is anticipated that the proposed new Food and Drug standards of identity, minimum quantity, and fill of container will be published in the *Federal Register*. These regulations when promulgated will control the packing operations and labeling of all varieties and styles of pack of canned corn. Public hearings are tentatively scheduled for March 15. Numerous key questions have arisen on which it is essential that the views of all corn canners be canvassed well in advance of the hearings.

For these reasons, the Association has scheduled a meeting of all corn canners at 4 p. m. on Monday afternoon, January 17, in the Stratosphere Room, Hotel Traymore, for this discussion. In view of the importance of the questions to be discussed, all corn canners are urged to attend.

Printed Convention Program, Directory Being Completed

The Association has sent to press a *Convention Program* and a *Convention Telephone Directory* for distribution and use at the 1949 Canners Convention.

As in years past, the *Convention Program* lists canners meetings, CM&SA meetings, social affairs, and a daily schedule of miscellaneous events to be held in Atlantic City during the period January 14-19.

The *Convention Telephone Directory* lists hotels and room numbers of canners, brokers, buyers and suppliers. It also lists the locations of Government and press and radio representatives who will be present.

The Association also is sending to press two annual reports which are expected to be completed before Convention time. These are the *Secretary's Annual Report* and the *Annual Report of the Research Laboratories*.

FTC Commissioner Mason and N.C.A. Counsel Austern To Talk on Pricing Policy at 1949 Canners Convention

Of widespread interest to all businessmen will be the first authoritative public discussion of the new Johnson bill at the Opening General Session of the 1949 Convention in Atlantic City, on January 17. The new measure was introduced on January 5 to dissipate the confusion and difficulties arising out of the *Cement case*, and is designed to legalize delivered price selling or freight absorption carried on by individual businessmen and to permit the unrestricted meeting of competition in good faith. The Honorable Lowell B. Mason, Acting Chairman of the Federal Trade Commission, will outline the impact upon American business of the current controversy about the legality of delivered price selling and freight absorption by individual businessmen, and H. Thomas Austern, Association Counsel, who is considered a legal expert in this field, will analyze the provisions of the new Johnson bill. Former Governor Harold E. Stassen's address on "Economic Freedom" will climax the session.

With the opening of the Eighty-First Congress, Senator Johnson of Colorado became Chairman, in place of Senator Capehart, of the Senate Trade Policies Committee which has been holding extensive hearings to consider the effect upon the entire American economy of the confused state of the law as to the payment, or absorption, of transportation charges and the legality of a seller regularly meeting competition. In introducing his bill Senator Johnson said:

"This is not an administrative problem, it is not a political problem, and it is not a judicial problem. It is an economic problem which, in the best interests of our national economy, the Congress must decide."

The Johnson bill would amend both the Federal Trade Commission Act and the Robinson-Patman Act. (It will be recalled that the Robinson-Patman Act in turn was an amendment to the Clayton Act of 1914). In sub-

(Please turn to page 6)

Text of the Johnson bill, S. 236, is reproduced in full beginning on page 7.

Promotion of Canned Foods To Be Theme of Joint Session

The opening gun of the 1949 Canners Convention will be the joint program session of the National-American Wholesale Grocers Association and the National Canners Association, on Friday afternoon, January 14, in the Renaissance Room of the Hotel Ambassador at Atlantic City. Subject of the meeting will be the promotion of canned foods. Presidents of the co-sponsoring organizations—Arthur W. Lutz of NAWGA and Howard T. Cumming of N.C.A.—will serve as co-chairmen.

Speakers are drawn from various segments of the canner-distributor field and will touch on canned foods promotion from their respective viewpoints.

Hal W. Johnston of the Canning Machinery & Supplies Association, who has cooperated generously and effectively in building up and promoting the canned foods industry, will tell about the exhibit in Convention Hall displaying all of the machinery and supplies that the canning industry buys for use and resale. This exhibit is regarded as a great education, and canners as well as wholesale grocers

(Please turn to page 4)

SYMPOSIUM SPEAKERS

TWO MEN FAMILIAR WITH PROBLEMS OF FOOD PRODUCTION TO SPEAK ON CANNED FOODS MERCHANDISING SYMPOSIUM

**John L. Baxter Will Represent
National Canners Assn.,
Paul S. Willis, GMA**

The interchange of views on canned foods merchandising that is to comprise the symposium on that subject at the Second General Session of the 1949 Canners Convention will be the stage for expressions by two speakers well-known in the field of food production.

Through their service to the U. S. Government in war planning, both John L. Baxter and Paul S. Willis won public recognition of their competence and knowledge of production problems. Today, both are leaders in the enterprises in which they are engaged.

Mr. Baxter, representing the National Canners Association on the symposium, is a partner in the firm of H. C. Baxter & Bro., Brunswick, Me. Mr. Willis is in his 16th term as president of the Grocery Manufacturers of America, Inc.

Mr. Baxter held a number of wartime assignments in which he assisted the Government, and throughout his years in the canning business has been prominent in Association activities. He is currently chairman of the N.C.A. Conference Committee, serving his fourth year with that group, and also is on the Buildings and the Food and Drug Committees.

Mr. Willis works closely on production and distribution problems with executives of 300 of the leading food and grocery manufacturers who supply a substantial portion of the products found on U. S. grocery shelves. Having served on the President's Citizens' Food Committee and other such groups, he has an intimate knowledge of production and distribution problems in the food industry.

Harold Patterson, vice president of the Lyndonville Canning Co., Lyndonville, N. Y., will be moderator on the symposium. Other speakers booked for the symposium are:

W. T. Dahl, Dahl's Food Markets, Des Moines, Iowa, for the National Association of Retail Grocers;

Hugh J. Davern, vice president in charge of merchandising, Grand Union Company, New York City, for the Super Market Institute;

Arthur J. Ehrenfeld, Francis H. Leggett & Co., New York City, for the

National-American Wholesale Grocers Association;

Forrest L. Fraser, director of grocery merchandising, The Kroger Company, Cincinnati, for the National Association of Food Chains;

John P. Houck, M. W. Houck & Bro., New York City, for the National Food Brokers Association; and

Charles S. Ragland, C. B. Ragland Company, Nashville, Tenn., for the United States Wholesale Grocers Association.

TAXES

Brokers Warn of Attempts To Collect New York City Tax

Canners who sell canned foods through New York City brokers have recently been advised by their brokers that the City of New York apparently is starting a drive to collect a gross receipts tax from out-of-city food processors.

The New York City Gross Receipts Tax on out-of-city businesses has been in effect since July 1, 1939. The Tax Act provides that every person carrying on business within the City shall pay an excise tax on gross receipts from all sales made in the City. The tax rate was originally one-twentieth of one percent of gross receipts, but the rate has been increased several times and now stands at one-fifth of one percent of gross receipts from New York City sales.

The New York City tax authorities recently have asked New York City brokers to furnish the names and addresses of all their principals, and it is feared that this may be the prelude to an attempt to collect the gross receipts tax from canners and other food processors who sell to New York City buyers. Counsel for the Association is investigating the problem of whether canners who sell to New York City buyers are subject to this gross receipts tax, and it is expected that conferences as to the best method of procedure will be held with the representatives of the National Food Brokers Association and other interested groups.

Final Committee Schedule

Certain additions have been made to the schedule of N.C.A. Committee meetings preliminary to the Convention and the time of the Resolutions Committee meeting is changed from 4 to 5 p.m. Monday. Final schedule follows:

Wednesday, January 12

Scientific Research Committee, 10 a.m., N.C.A. Headquarters at Washington, D. C.

Budget Committee, 10 a.m., N.C.A. Headquarters at Washington, D. C.

Thursday, January 13

Agricultural Policy Committee, 10 a.m., N.C.A. Headquarters at Washington, D. C.

Scientific Research Committee, 10 a.m., N.C.A. Headquarters at Washington, D. C.

Friday, January 14

Buildings Committee, 11 a.m., Club Room, Traymore

Public Relations Committee Dinner Meeting, 6:30 p.m., Mandarin Room, Traymore

Technical Advisory Committee to Labeling Committee, 6:30 p.m., Parlor A, Ritz-Carlton

Home Economics Dinner Meeting, 7 p.m., Chippendale Room, Traymore

Statistics Committee Dinner Meeting, 7 p.m., Pine Room, Traymore

Saturday, January 15

Raw Products Committee, 9:30 a.m., Chippendale Room, Traymore

Legislative Committee, 10 a.m., Club Room, Traymore

Labeling Committee, 10 a.m., Mandarin Room, Traymore

Convention Committee Luncheon Meeting, 12:30 p.m., Pine Room, Traymore

Administrative Council, 2 p.m., Stratosphere Room, Traymore

Fishery Products Committee Meeting, 4 p.m., Chippendale Room, Traymore

Sunday, January 16

Board of Directors, 10 a.m., Rose Room, Traymore

Baby Foods Committee, 2:30 p.m., Room 10, Convention Hall

Claims Committee, 3 p.m., Room 665, Marlborough-Blenheim

Canning Industry Research, Inc., 4 p.m., Pine Room, Traymore

Monday, January 17

Nominating Committee, 9 a.m., Room 1, Convention Hall

Resolutions Committee, 5 p.m., Office of Counsel, Musicians Balcony, Convention Hall

SCHEDULE OF PRINCIPAL EVENTS FOR 1949 CANNERS CONVENTION

(Subject to Revision)

Friday, January 14

- 11 a.m.—Meeting of N.C.A. Buildings Committee, Club Room, Hotel Traymore
- 2 p.m.—Joint Program of National Canners Association and National-American Wholesale Grocers Association, Renaissance Room, Ambassador Hotel
- 6:30 p.m.—Dinner Meeting of N.C.A. Public Relations Committee, Mandarin Room, Hotel Traymore
- 6:30 p.m.—Dinner Meeting of N.C.A. Technical Advisory Committee to Labeling Committee, Parlor A, Ritz-Carlton Hotel
- 7 p.m.—Dinner Meeting of N.C.A. Statistics Committee, Pine Room, Hotel Traymore
- 7 p.m.—Dinner Meeting of N.C.A. Home Economics Committee, Chippendale Room, Hotel Traymore
- 7-10 p.m.—Preview of Machinery and Supplies Exhibit, Convention Hall

Saturday, January 15

- 9:30 a.m.—Meeting of N.C.A. Raw Products Committee, Chippendale Room, Hotel Traymore
- 9:30 a.m.-6 p.m.—Machinery and Supplies Exhibit, Convention Hall
- 10 a.m.—Meeting of N.C.A. Legislative Committee, Club Room, Hotel Traymore
- 10 a.m.—Meeting of N.C.A. Labeling Committee, Mandarin Room, Hotel Traymore
- 12:30 p.m.—Luncheon Meeting of N.C.A. Convention Committee, Pine Room, Hotel Traymore
- 2 p.m.—Meeting of N.C.A. Administrative Council, Stratosphere Room, Hotel Traymore
- 4 p.m.—Meeting of N.C.A. Fishery Products Committee, Chippendale Room, Hotel Traymore
- 7 p.m.—Annual Dinner Dance under auspices of Canning Machinery & Supplies Association, Cambridge Hall, Claridge Hotel

Sunday, January 16

- 10 a.m.—Meeting of N.C.A. Board of Directors, Rose Room, Hotel Traymore
- 1-6 p.m.—Machinery and Supplies Exhibit, Convention Hall
- 2:30 p.m.—Meeting of N.C.A. Eastern Technical Committee on Baby Foods, Room 10, Convention Hall
- 2:30 p.m.—Meeting of Corn Canners Service Bureau, Roof Solarium, Jefferson Hotel
- 3 p.m.—Meeting of N.C.A. Claims Committee, Room 665, Marlborough-Blenheim Hotel
- 3 p.m.—Cutting of foreign canned fishery products under direction of N.C.A. Fishery Products Division, Room 20, Convention Hall

- 4 p.m.—Meeting of Canning Industry Research, Inc., Pine Room, Hotel Traymore
- 6:30 p.m.—Dinner for State Secretaries, Mandarin Room, Hotel Traymore
- 7 p.m.—Old Guard Dinner, Cambridge Hall, Claridge Hotel

Monday, January 17

- 9 a.m.—Meeting of N.C.A. Nominating Committee, Room 1, Convention Hall
- 9:30 a.m.—Annual Meeting, CM&SA, Room B, Convention Hall
- 10 a.m.—Opening General Session, N.C.A., Ballroom, Convention Hall
- 12-6 p.m.—Machinery and Supplies Exhibit, Convention Hall
- 2 p.m.—Joint Conference of N.C.A. Raw Products Bureau and Laboratories, Room B, Convention Hall
- 2 p.m.—N.C.A. Fishery Products Conference, Room 20, Convention Hall
- 4 p.m.—N.C.A. Corn Standards meeting, Stratosphere Room, Traymore
- 5 p.m.—Meeting of N.C.A. Resolutions Committee, Office of the Counsel, Musicians Balcony, Convention Hall
- 7 p.m.—Young Guard Banquet, American Room, Hotel Traymore
- 8 p.m.—Raw Products Smoker, Rose Room, Hotel Traymore

Tuesday, January 18

- 9:30 a.m.-6 p.m.—Machinery and Supplies Exhibit, Convention Hall
- 10 a.m.—Second General Session, N.C.A.—“Symposium on Canned Foods Merchandising,” Ballroom, Convention Hall
- 2 p.m.—N.C.A. Raw Products Conference, Room 21, Convention Hall
- 2 p.m.—N.C.A. Canning Problems Conference, Room 20, Convention Hall
- 8:45 p.m.—Fred Waring's Band, Entertainment (auspices CM&SA), Warner Theater, 2015 Boardwalk

Wednesday, January 19

- 9:30 a.m.-6 p.m.—Machinery and Supplies Exhibit, Convention Hall
- 10 a.m.—Closing General Session, N.C.A., Room 21, Convention Hall
- 10 a.m.—N.C.A. Canning Problems Conference, Room 20, Convention Hall
- 10 a.m.—Meeting of the A. I. F. National Liaison Committee on Organic Pesticides, Pine Room, Hotel Traymore

Freight Rate Increases Become Effective Jan. 11

Interim freight rate increases authorized by the Interstate Commerce Commission last week are scheduled to become effective January 11, according to the ICC. All basic freight

rates and charges will be increased on that date as follows:

Within eastern territory.....	6 percent
Within southern territory.....	6 percent
Within zone I of western trunk-line territory.....	5 percent
Within western territory other than zone I of western trunk-line territory.....	4 percent
Interterritorially, between eastern territory and southern territory.....	6 percent

Interterritorially, other than between eastern and southern territories..... 5 percent

The ICC noted in its report that at the time it heard the railroads' petition for this latest rate increase basic freight rates already had been raised 44.2 percent over the rates in effect on June 30, 1946.

Hamilton Q.M. Club

The Hamilton Q.M. Club, composed of civilian and service-connected personnel who were engaged in procurement activities for the Army during the past war, will hold its annual cocktail party at 5 p.m., Sunday, January 16, in the Garden Room of the Brighton Hotel, Atlantic City, it was announced this week by E. N. Reusswig, president, who urges all members to attend.

Joint Grocer-Canner Session

(Concluded from page 1)

may spend several profitable hours visiting this exhibit.

Mr. Johnston has been in the lithograph business since 1909, and since 1917 has been associated with Stecher-Traung Lithograph Corp., having risen to executive vice president and director of sales. He is a director and former president of Label Manufacturers National Association, former director of Packaging Institute, director at large of National Federation of Sales Executives, and director of the Canning Machinery & Supplies Association.

The next speaker will be William H. Schille, president of the Biddle Purchasing Co., whose subject will be "A Marketing Analyst Looks at the Canned Food Industry."

After securing his education in schools of this country and Europe, Mr. Schille became associated with the Chase National Bank. In 1925 he became treasurer of the Biddle Purchasing Co., and in 1933 first vice president. In 1942 he emerged as president. He also has served as president of the National Council of American Importers from 1945 to 1947.

John L. Baxter of H. C. Baxter & Bro., Brunswick, Me., will speak on "A Canner Looks at the Canned Foods Industry." He has been active in the affairs of the N.C.A. since 1924 when he was first elected to serve as a director. He was conspicuous for his leadership in canning industry affairs during World War II.

G. T. McCartney will speak on "A Distributor Looks at the Canned Foods Industry." After working nights and Saturdays in a retail grocery store when he was in school, he went to work in 1910 for a wholesale grocer operating a chain of 13 stores in Des Moines, Iowa. Mr. McCartney worked in the downtown or main store for six months, and was then made manager of one of the branch stores, which he operated for five months.

In 1911 he went to work in St. Louis with a subsidiary of the California Fruit Cannery Association. He specialized in selling canned foods and traveled throughout the mid-West. In 1922 he made his connection with H. D. Lee Company, Kansas City, and devoted his talents to developing an institutional business. He was in this work until 1937, when he was made canned foods buyer, a position he held until 1943 when he was made merchandise manager. He also buys canned fruits and canned vegetables.

Morris I. Pickus, president of The Personnel Institute, Inc., is acknowledged as one of the leading authorities in the personnel and sales management fields. He has been both a practical salesman and a student of sales selection and training methods. He has personally trained over 50,000 salesmen in many diversified industries, and acts as a consultant for many outstanding national organizations. His subject is to be "A Salesman Looks at the Canned Foods Industry."

SUPPLIES

Tin Conservation Program

In announcing certain modifications in Tin Conservation Orders M-81 and M-43, H. B. McCoy, Director of the Office of Domestic Commerce, announced last week that "the present tin conservation program of the Commerce Department will continue essentially unchanged through June 30, 1949."

Mr. McCoy said the continuation of the conservation measure should not in any way affect the volume of cans available for food processing nor result in any shortages. Substitute packaging materials are available in good supply for those products on which M-81 restricts the manufacture of cans, a Commerce Department announcement said.

United States stocks of tin displayed a gradual upward trend during the third quarter of 1948, according to a report of the Commerce Department released on January 5. Total government stocks of pig tin and tin in concentrates amounted to 60,023 long tons on October 1, 1948, compared to 54,438 long tons three months earlier. Stocks at the end of the third quarter of 1948 were 50 percent over the total stocks of October 1, 1947. Private stocks remained at the minimum operating level of 22,392 long tons.

STATISTICS

Tomato Juice Pack for 1948, And Stocks and Shipments

The 1948 pack of tomato juice amounted to 23,701,199 actual cases, according to a report issued by the Association's Division of Statistics. Except for 1947, this was the smallest pack recorded during the past four years.

Total stocks of canned tomato juice in canners' hands had been well reduced by December 1, as shipments from the 1948 pack have been ahead of the 1947 movement. Stocks held by canners, December 1, 1948, amounted to about 17½ million cases, only 28 percent greater than December 1, 1947, stocks, whereas the 1948 pack was 40 percent larger than the 1947 pack.

Canner Stocks and Shipments Canned Tomato Juice

	1947-48	1948-49
	Actual Cases	
Carryover, July 1.....	5,029,639	3,578,479
Pack.....	16,880,277	23,701,199
Total Supply.....	21,909,916	27,279,678
Stocks, December 1....	13,686,395	17,527,927
Shipments, July 1 to December 1.....	8,223,521	9,751,751

1948 Tomato Juice Pack

	1947	1948
	Cases	Cases
8½ Tall.....	269,928	272,532
No. 1 Plain.....	291,797	12,900
No. 211 Cyl.....	642,171	332,873
No. 300.....	304,468	1,803,547
No. 1 Tall.....	75,038	12,388
No. 303 Cyl.....	15,508	121,095
No. 2.....	4,642,564	5,710,643
No. 2 Cyl.....	84,235	73,187
No. 3 Cyl.....	7,585,285	11,976,408
No. 10.....	1,114,904	988,392
Miscellaneous tin and glass.....	1,854,379	2,397,214
Total.....	16,880,277	23,701,199

The above report is a summary of all canners known to have been packing tomato juice in 1948, together with estimates for nine firms not reporting. This report includes tomato juice and tomato juice cocktail. Included in the miscellaneous figure of 2,397,214 cases are 590,855 cases of 5-6 ounce (individual) cans. This represents the pack in this size can outside of California.

NEW ASSOCIATION MEMBERS

The following firms have been admitted into membership in the Association since November 13, 1948:

International Trading Corporation,
814 Second Avenue Bldg., Seattle,
Wash.
Lutak Fish Company, P. O. Box 137,
Haines, Alaska
Sea Spray Canning Co., Bay Center,
Wash.

CONGRESS

Opening of 81st Congress

The 81st Congress convened January 3, and two days later heard President Truman's annual message on the State of the Union, in which he called for:

Improvement in the national farm program, with goals of "abundant farm production and parity of income for agriculture;"

Increase in the minimum wage to at least 75 cents an hour, and strengthening of the Labor Department;

Continued authorization to allocate "key materials in short supply;"

Stand-by authority to impose price ceilings for "scarce commodities which basically affect essential production or the cost of living;"

Strengthening of the anti-trust laws "by closing those loopholes that permit monopolistic mergers and consolidations."

On the opening of the new Congress, the House voted to curb the power of its Rules Committee. The new rule provides that if the Rules Committee fails to act on a bill within 21 days, the chairman of the committee which originally handled the bill can move to have it brought up for House action.

Senator McKellar (Tenn.) was chosen President pro tempore of the Senate, and Representative Rayburn (Tex.) was reelected Speaker of the House. Senator Lucas (Ill.) and Representative McCormack (Mass.) are majority leaders, and Senator Wherry (Nebr.) and Representative Martin (Mass.) are minority leaders.

The time of the Congress this week and perhaps next week will be spent in organization of committees, and committee consideration of new legislation is not expected to begin until after inauguration, January 20.

Many bills were introduced in the first days of the new session; they included proposals dealing with increases in the Federal minimum wage, price supports, and tidelands. Through January 5, 238 bills had been introduced in the Senate and 932 in the House. Few of these have yet been printed; those of concern to the industry will be obtained and studied as soon as copies are available.

One bill, H. R. 490, introduced by Representative Larcade (La.), would "impose a duty of 2 cents per pound on patna rice cleaned for use in the manufacture of canned soups and for other purposes, rice meal, and broken

rice." The bill was referred to the House Committee on Ways and Means.

Representative Hope (Kans.) introduced H. R. 849, to establish a program for conservation and development of the Nation's land and water resources; this bill parallels H. R. 6054, sponsored by Mr. Hope in the 80th Congress.

PUBLICITY

Canned Foods Price Publicity

The first return from the Association's most recent press release on the market position of canned foods, copies of which were mailed to members with the INFORMATION LETTER of December 24, shows that it was incorporated into an Associated Press year-end round-up on food prices.

Paraphrasing from the N.C.A. release, the AP story stated:

"American families bought more quality canned fruits and vegetables this year than ever before, according to Carlos Campbell, executive secretary of the National Canners Association. He added that a consumer can buy from 25 to 33 percent more of such foods with his weekly take-home pay now than he could on the average during the five years before the war."

The AP year-end round-up appeared in the *Star-Gazette* (36,425) of Elmira, N. Y.

The same N.C.A. price story was aired over WOR, New York, on a homemakers' program, December 29. One of the characters said, in part:

"It's interesting to note that canned fruits and vegetables have increased less in price based on the prewar average than any other class of food. And just to show that housewives know a good buy when they see one, it's also interesting that more canned fruits and vegetables have been bought this year than ever before. The average housewife knows a bargain and canned fruits and vegetables are a real bargain today."

P. J. Ritter Co., Bridgeton, N. J., included the N.C.A.'s most recent "Market Basket Bargain" illustration in the December issue of its house organ, *Rittertalk*, which was mailed to school teachers, ministers, professional men and women, and others in the Bridgeton community.

The Mammoth Spring Canning Co., Sussex, Wis., has sent in a clipping from *Food Flashes*, monthly publication of the Milwaukee Retail Grocers' Association, which reproduced the N.C.A.'s price story and illustration of November 24.

Price publicity also has been published in the *San Francisco Examiner* (228,522), which reproduced "A Story Worth Repeating!" in full; the *Charleston, S. C. Post* (27,356), and the *Hoopeston, Ill., Chronicle-Herald* (2,650).

Nutrition Publicity

Publicity resulting from the press conference and exhibit on the nutritive qualities of canned foods held in Chicago two months ago is known to have appeared in newspapers having a total circulation of 19,939,533.

As of January 6, the total number of newspapers that have carried the nutrition story is 251. Outstanding among the clippings received this week was an article in *The Sunday Star* of Washington, D. C. Listed below are the papers and circulation figures received by the Association this week, with the totals previously reported:

Ash Grove (Mo.) Commonwealth (Dec. 9)	1,820
Avoca (Iowa) Journal-Herald (Dec. 9)	1,179
Brighton (Colo.) Republican (Nov. 25)	1,785
Cascade (Iowa) Pioneer Advertiser (Dec. 9)	1,560
Clinton (Ill.) Journal-Public (Dec. 13)	2,329
Colby (Kans.) Press-Tribune (Dec. 9)	2,450
Downers Grove (Ill.) Reporter (Dec. 16)	4,604
Dillon (Mont.) Examiner	1,423
Flint (Mich.) Review (Dec. 24) second mention	4,180
Gillespie (Ill.) News (Dec. 16)	1,887
Glen Elder (Kans.) Sentinel (Dec. 2)	492
Grand Rapids (Mich.) Shopping News (Dec. 20)	54,368
Greensburg (Pa.) Tribune (Dec. 15)	6,316
Hopkins (Mo.) Journal (Dec. 16)	1,088
Hartsville (Ohio) News (Dec. 24)	1,750
Lubbock (Tex.) Journal (Nov. 12)	11,677
Orville (Ohio) Courier-Crescent (Dec. 23)	2,542
Prairie du Rocher (Ill.) Sun (Dec. 17)	400
Quincy (Ill.) Record (Dec. 23)	1,538
Randolph (Kans.) Enterprise (Dec. 2)	1,125
Salida (Colo.) Mail (Nov. 26)	1,705
Sherrard (Ill.) Bulletin (Dec. 17) second mention	(a)
Spencerport (N. Y.) Star (Dec. 9)	(a)
Washington (D. C.) Star	233,971
Wayne (Mich.) Dispatch (Dec. 17)	3,400
Wauseon (Ohio) Fulton County Express (Dec. 16)	(a)
Williams (Calif.) Farmer (Dec. 10)	(a)
	341,789

Circulation already reported 19,597,744

Total known circulation 19,939,533

(a) Circulation unknown.

Article for Teen-Agers Calls for Canned Foods

The January food section of *Seventeen*, a magazine for teen-age girls with 1,003,600 circulation, tells how to glamorize ten commonly-served foods.

The article by Beryl Walter, food editor, is entitled "Accessorize Your

Everyday Dishes," and gives ways to add interest to foods without overdoing the dressing-up of the food. Each recipe suggestion is accompanied by a colored photograph. Included are four canned foods—apple sauce, green beans, soups and peaches.

Family Circle Highlights Recipes for Canned Fruits

The *Family Circle* magazine, which is sold nationally to over 1,500,000 persons in several chains of grocery stores, has a page and a half recipe article devoted to canned fruits.

Three canned fruits—apricots, pineapple, and fruit cocktail—are featured in the article by Alice Douglass. From six to eight recipes are given for each fruit, and one black and white photograph illustrates a use for each fruit. Each of the three sections starts with a sketch of the fruit and the title, "With a CAN of Apricots (Pineapple or Fruit Cocktail) you CAN."

McCall's Magazine Features Canned Foods as Best Buy

The January issue of *McCall's Magazine*, 3,600,420, features various economical foods in special articles. Each article was stamped "A January Best Buy."

"Hearty Dinners from a Can" is the title of a colorful two-page picture and recipe spread. The article emphasizes the economy of canned meats, which are stamped as a "Best Buy." Various meat recipes giving a wide coverage of canned meats are featured. Miss Helen McCully, food editor, states:

"We cite meats from a can in the best buy category because you pay only for what you get, everything you get is edible and there are more servings by weight. No minor consideration in THIS day and age."

Canned fish is included as a January best buy in another article entitled "The Delicate Fish" by Miss Eleanor Noderer, and canned foods are included as ingredients in various other recipes featured in "Best Buys" articles.

This same issue contains a how-to-do-it series of pictures and directions of "How To Prepare Canned Peas Right" by Miss Frances Edens, assistant food editor. The article is headed:

"McCall's cooks think it high time to start talking about the right way to prepare canned vegetables. Almost every canned vegetable you serve your

family is improved when you use this simple method. It's sheer magic the way they gain new flavor, increase tremendously in food value and stay so beautiful. Try it with whole kernel corn, lima beans, green or wax beans and asparagus. You'll be more than happy with the results."

McCall's Magazine also is offering through its regular monthly merchandising service to Super Market Institute members a large four-color retail store display poster headed "Hearty Desires from A Can."

New Pricing Legislation

(Concluded from page 1)

stance, the Johnson bill offers the following clarifications:

It reaffirms the rule that any pricing practice employed pursuant to an agreement among sellers shall be unlawful, in violation of the Sherman Act, and an "unfair method of competition" under the Federal Trade Commission Act.

It specifically provides that, in the absence of agreement among sellers, the individual use of a uniform delivered price, zone prices, or the equalization or absorption of freight shall not be deemed illegal. A specific exception to this rule is that any pricing practice which involves fraud, deception, or coercion will continue to be illegal.

It gives the Federal Trade Commission broader remedial powers in cases of conspiracy or agreement involving delivered price selling by providing that in such cases the guilty parties may be required for a reasonable period of time to sell only f.o.b. factory or at delivered prices no higher than the f.o.b. price plus actual transportation costs. Even in such cases, however, the right to absorb freight is preserved.

It provides that a seller is to have a complete defense to any charge of price discrimination where he can show that his lower price was given in good faith to meet competition. Of paramount importance, it specifies that

"competition may be met in good faith, and in the absence of conspiracy, by the charging by any seller of lower prices to meet competition in any or all markets, regularly, customarily, or systematically, with or without prior announcement."

It seeks to eliminate the confusion as to the meaning of "price" by specifying that "price" shall mean whatever is fixed by express or implied contract between the buyer and the seller. This is intended to eliminate the con-

fusion resulting from the Trade Commission's insistence that in delivered price selling the "price" for purposes of the Robinson-Patman Act is "mill net" or "net factory" realization.

It requires that the proof that competition will be lessened or injured or prevented by a price discrimination must show a probable result which, as to buyers, materially threatens their ability to compete with other buyers in the resale of a commodity or in the sale of any product manufactured from that commodity; or as to sellers, a result which materially threatens the ability of any seller to continue to compete with other sellers. The rule of the *Morton Salt* case that any "possible" injury to competition shall suffice to show illegality is changed to require that there be a "reasonable probability" that competition either among competing sellers or customers will be injured in the specified manner.

Lastly, the Johnson bill seeks to make it clear that where all of the sellers in an industry use a delivered pricing system or regularly absorb freight to meet competition, and no conspiracy exists, the mere fact that the individual use of the practice results in identical or similar delivered prices or laid-down costs to all buyers at a particular point shall not make the selling practice illegal as an "unfair method of competition." The effect of this provision will be to reverse the ruling of the Federal Trade Commission in the *Rigid Steel Conduit* proceeding and to abrogate by statute the confusing legal doctrine that any group of sellers, acting individually but pursuing a "conscious parallel course of action", are each acting illegally.

Complete text of the bill is reproduced beginning on page 7.

Lowell B. Mason Now Serving As Acting Chairman of FTC

Lowell B. Mason of the Federal Trade Commission, who will address the Opening General Session of the 1949 Cannery Convention on January 17, is serving as acting chairman of the FTC.

Chairman Robert E. Freer resigned effective at the close of 1948, and another Commissioner, Garland S. Ferguson, is out of the country. Because only three Commissioners who will serve in 1949 are present at this time, the FTC has decided not to choose a chairman until all members are present. In the meantime, it has been announced, Commissioner Mason, the first vice chairman, is acting chairman.

Text of Johnson Bill, To Legalize Delivered Price Selling by Individuals and to Permit Unrestricted Meeting of Competition in Good Faith

A BILL

(To clarify and formulate a consistent and coordinated national policy with respect to transportation costs in interstate commerce; to strengthen the antitrust laws of the United States and to provide for their more effective enforcement; and to promote competition by permitting sellers to have access to distant markets.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

POLICY AS TO TRANSPORTATION COSTS IN INTERSTATE COMMERCE TO PROMOTE COMPETITION

Section 1. In order to permit the treatment of transportation costs in interstate commerce to contribute to the promotion of competition in American industry among all sellers for the business of all buyers; to safeguard and secure to American workers continued employment in the areas in which they now make their homes; to promote the full development of our national resources, particularly in presently sparsely settled areas, and effectively to utilize the vast transportation systems of the United States, it is the policy of the Federal Government—

(a) to develop a consistent and coordinated program of promoting competition, as affected by transportation costs, in interstate commerce, by the Federal Trade Commission, the Civil Aeronautics Board, the Post Office Department and the Interstate Commerce Commission;

(b) to foster competitive private enterprise by the treatment of transportation costs in interstate commerce so that access to distant markets may be available, when economically feasible, to any competing seller;

(c) to encourage the Interstate Commerce Commission to continue and extend the policy of promoting regional and sectional competition by the establishment of appropriate transportation rates where required and in the best interests of the national economy;

(d) to clarify the practice by the Federal Trade Commission which will permit all competing sellers to have access to distant markets by directing the treatment of transportation costs in interstate commerce to promote competition;

(e) to prohibit the requiring of the sale of products at f.o.b. factory or mill prices, where buyer and seller do not choose to transact business on such terms; and

(f) to insure to all consumers the advantages of active competition in distribution of all products.

FEDERAL TRADE COMMISSION ACT AMENDMENTS

Section 2. (a) Section 5 (a) of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914 (38 Stat. 719, as amended; 15 U. S. C. 45) is hereby amended by inserting immediately after the first sentence thereof the following:

"Any pricing practice employed pursuant to an agreement or conspiracy among two or more sellers shall be an unfair method of competition, but no pricing practice employed by any seller in the absence of any agreement or conspiracy with any other seller shall be deemed an unfair method of competition or an unfair act or practice in commerce within the meaning of this section because it involves (1) the charging of uniform delivered prices for goods of like grade and quality to all purchasers without regard to the place of delivery, or (2) the charging of uniform delivered prices for goods of like grade and quality to all purchasers for delivery within any geographical zone, or (3) the absorption (in whole or in part), allowance (in whole or in part), or averaging (in whole or in part) by such seller of transportation charges for the delivery of any goods, or results in delivered prices similar or identical to those charged by any other seller for goods of like grade and quality: *Provided*, That nothing contained in this sentence shall render lawful any act or practice in commerce otherwise unlawful because of fraud, deception, or coercion."

(b) Section 5 (b) of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914 (38 Stat. 719, as amended; 15 U. S. C. 45), is hereby amended by inserting at the end thereof the following:

"Whenever the Commission shall find, pursuant to this section, that any two or more sellers are conspiring or agreeing, or that within three years prior to the date of issuance of its complaint such sellers have conspired or agreed to employ any pricing system involving any form of delivered pricing, or absorption allowance or averaging of transportation costs, the Commission may issue an order requiring each such seller, for such period of time as may reasonably be necessary to dissipate the effects of such agreement or conspiracy—

(1) to establish from time to time for each commodity of the grade and quality involved in the conspiracy an f.o.b. price or prices at each factory, mill or shipping point maintained by such seller, and

(2) to offer each such commodity for sale at the option of each buyer, at either (a) such f.o.b. price or prices, or (b) a delivered price or delivered prices which shall not in any case exceed (but which may be less than) such f.o.b. price or prices plus the actual cost to the seller of transporting such commodity from the factory, mill, or shipping point to the point of delivery."

CLAYTON ACT AMENDMENTS

Section 3. Section 2 (b) of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is hereby amended to read as follows:

"(b) Upon proof being made, at any hearing on a complaint under this section, or in any judicial proceeding involving an alleged violation of this Act, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima-facie case thus made by showing justification shall be upon the person charged with such violation. In any such case the person thus charged may rebut the prima-facie case thus made, and may establish that the seller's prices or practices are lawful, by showing that the lower price, or the furnishing of such services or facilities, to any purchaser or purchasers was made in good faith, to meet the competitive price of any competitor or the services or facilities furnished by such competitor; provided that this defense shall not be available when the seller is acting pursuant to any agreement or conspiracy with any other seller. Any such lower price charged in good faith to permit such sellers effectively to compete may be less than the competitive price being met if such differential is customary in the general price relationship of the respective products or otherwise justified by the competitive situation of the two or more sellers. Competition may be met in good faith, and in the absence of conspiracy, by the charging by any seller of lower prices to meet competition in any or all markets, regularly, customarily, or systematically, with or without prior announcement. Unless such justification shall be affirmatively shown in any proceeding before the Commission, the Commission is authorized to issue an order terminating the discrimination."

Section 4. Section 2 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13) is hereby further amended by adding im-

mediately after subsection (f) thereof the following new subsection:

"(g) As used in this section—

"(1) 'Price' means the price fixed by contract, expressed or implied, between buyer and seller.

"(2) 'To lessen competition,' or 'to injure or prevent competition,' means: As to buyers, a result which materially threatens the ability of any buyer to compete with any other buyer or buyers in the resale of any commodity or in the sale of any product manufactured from such commodity, and as to sellers, a result which materially threatens the ability of any seller to continue to compete with any other seller or sellers in the sale of the commodity; and

"(3) 'May be' means reasonable probability."

EFFECTIVE DATE

Section 5. This Act shall become effective thirty days after its enactment.

SEPARABILITY OF PROVISIONS

Section 6. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

LABELING

Motion Picture "Better Labels" Shown to Over 3,000 Persons

Since its completion November 1, the Labeling Committee's motion picture, "Better Labels," has been shown a total of 50 times to audiences totaling well over 3,000 persons.

For the past week and for the next three weeks, all the duplicate copies are so scheduled that no additional showings can be booked during that period.

In addition to the showings at all the State and regional canners meetings, the picture is scheduled for the food technology classes of four colleges, at several growers meetings and at a series of local food broker, wholesaler, and retailer meetings.

Canning companies who plan to show it at meetings of their own organizations are asked to set a definite time for such showing and to advise the Labeling Division immediately in order to permit scheduling as free from conflict as possible.

Prints of the picture are available on a loan and prompt return basis.

Next Information Letter May Be Convention Issue

At the usual time of putting the INFORMATION LETTER to press next week, the Information Division staff will be manning the N.C.A. Press Room at the 1949 Canners Convention in Atlantic City. Accordingly, the next issue of the LETTER probably will be the annual report of Convention proceedings, which will be put to press as soon after adjournment as possible.

In event of developments requiring immediate reporting prior to that time, the membership will be informed by special bulletin, or by special issue of the LETTER if necessary.

McGovern Cites Nutrition, Economy in Canned Foods

The war made the American housewife conscious of the importance of nutritional values in food while at the same time the critical postwar high cost of living has compelled her to seek the most economical food buys she can find, according to John F. McGovern, of Le Sueur, Minn., N.C.A. vice president, who was chief speaker at the 35th Annual Convention of the

Northwest Canners Association in Seattle yesterday.

In an address entitled "Canned Foods a Good Nutritional Buy," Mr. McGovern demonstrated that canners are meeting both of these housewifely problems when he stated that "canned foods are rich in nutrients and an economical dollar-saving purchase. They offer the best buy of all the food categories in these days of critical high prices."

Mr. McGovern reviewed the findings of a six-year quarter-million dollar research, conducted in nine leading universities, from which, he stated, has been derived "more knowledge about the nutrients in canned foods than is known about any other type of processed foods." The vitamin and mineral contents of 42 leading canned items were tested in a scientific program which embraced more than 40,000 assays of over 50,000 different cans of fruits, vegetables and fish, he said. The research, sponsored by the National Canners Association and the Can Manufacturers Institute, has shown the way to "improved retention of nutritional factors in the processing and preparation of canned foods."

"We ought to inform the consumers of the Nation of the merits, the economy, the goodness of canned foods. We ought to hammer home the fact that canned foods have economy, convenience, nutritive value and availability."

TABLE OF CONTENTS

	PAGE		PAGE
Canners Convention		Supplies	
Important Convention meeting of corn canners	1	Tin conservation program	4
Printed Convention program, directory being completed	1	Statistics	
First authoritative discussion of new pricing legislation	1	Tomato juice pack for 1948, and stocks and shipments	4
Promotion of canned foods to be theme of joint session	1	New Association Members	4
Two men familiar with problems of food production to speak on canned foods merchandising symposium	2	Congress	5
Final committee schedule	2	Publicity	
Schedule of principal events for 1949 Canners Convention	3	Canned foods price publicity	5
Hamilton Q.M. club	4	Nutrition publicity	5
Lowell B. Mason now serving as acting chairman of FTC	6	Article for teen-agers calls for canned foods	5
Text of Johnson bill	7	Family Circle highlights recipes for canned fruits	6
Taxes		McCall's Magazine features canned foods as best buy	6
Brokers warn of attempts to collect New York City tax	2	Labeling	
Freight Rates		Motion picture "Better Labels" shown to over 3,000 persons	8
Freight rate increases become effective Jan. 11	3	Information Letter	
		Next INFORMATION LETTER may be Convention issue	8
		Meetings	
		McGovern cites nutrition, economy in canned foods	8